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FISCAL IMPACT STATEMENT

LS 7144

BILL NUMBER: HB 1335

NOTE PREPARED: Mar 16, 2007

BILL AMENDED: Mar 15, 2007

SUBJECT: Coal Mining.

FIRST AUTHOR: Rep. Stilwell

FIRST SPONSOR: Sen. Landske

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill revises provisions concerning the Mining Board and the Director of the Bureau of Mines and Mine Safety. It limits the availability of coal mine maps to certain persons. It repeals various provisions of state underground mining law that are preempted by federal law. It replaces the mining employee board certification category of fire boss with mining examiner, and eliminates the board certification categories of assistant mine foreman and mine electrician.

The bill transfers certain duties from the state mine inspectors to the Director of the Bureau. The bill eliminates the requirement that quarterly meetings of the board be held on the second Saturday of the month. It requires the Bureau to maintain one or two mine rescue teams, and authorizes the Commissioner of Labor to contract with a mine operator to supply one of the teams.

The bill also requires that fees paid to the Board be deposited in the Mine Safety Fund. The bill authorizes certain individuals to test coal mine employees for illegal use of drugs or alcohol. It makes conforming amendments.

Effective Date: Upon passage.

Explanation of State Expenditures: (Revised) The bill transfers certain duties from the state mine inspectors to the director of the Bureau of Mines and Mining Safety. The bill removes the requirement that the Bureau investigate fatalities occurring in surface mines for the certain purposes. The bill also requires the director to post inspection reports on a web site.

This bill provides that the director of the Bureau must oversee mine rescue teams, training and certification

for miners, and maintenance of mine maps. The Bureau must maintain one or two mine rescue teams. The director must require active underground mines to provide personnel for the state mine rescue teams. The director must determine the number of personnel that a mine operator is required to furnish for the mine rescue teams. The director, in consultation with the Board, must also determine the training and retraining requirements for the mine rescue teams. Additionally, the operator of a mine must furnish the director a copy of the Mine Safety Administration Form 7000-2 when the operator has filed the form with the federal government. The proposal updates state law to provide for changes in the federal law that took place after the establishment of the Bureau. Finally, the bill provides that members of the Mining Board are entitled to per diem. Currently, members are paid for traveling expenses only.

The above provisions should have no significant fiscal impact. Additionally, the Bureau should receive additional fee revenue generated by the possible increase in fees to pay for rescue equipment. (See *Explanation of State Revenue* below.)

Background: The state has about 6 underground mines and around 25 surface mines. Currently, the Bureau is housed within the State Department of Labor. In the past, the state has had a director of the Bureau and two inspectors. Currently, there is only a director. The Bureau was initially set up to regulate underground mines. Since the creation of the Bureau, the Federal Mine Safety and Health Act has been enacted. This Act provided that the federal government has primary jurisdiction for underground miner safety throughout the country. Currently, federal inspectors conduct inspections of mines in the state in order to ascertain miner safety. (The Division of Reclamation within the Department of Natural Resources inspects mining sites in order to ascertain public safety.) The state has not conducted underground inspections with any frequency for a number of years.

Explanation of State Revenues: *Fees for Certificates of Competency and Examinations.* The bill provides that the Mining Board may set fees for certificates of competency and certification exams. Currently, the examination fee is \$25, and the certificate fee is \$5. Revenue generated by the certificate and examination fees is deposited in the state General Fund. The bill proposes that fees be deposited into the Mine Safety Fund to be used to purchase mine rescue equipment. For FY 2006, the fees generated \$2,705. For FY 2005, the fees generated \$3,385. The impact of this provision will depend on actions taken by the Mining Board.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected:

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